

**TESTIMONY OF ROBERT HUNT, VICE PRESIDENT,
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AT THE TEXAS FORUM ON INTERNET REGULATION**

TEXAS A&M UNIVERSITY, BUSH SCHOOL OF GOVERNMENT & PUBLIC SERVICE

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Commissioner Pai, first, I would like to THANK YOU for the opportunity to participate on this panel and for visiting the great state of Texas, and this great university. I am very proud to say that I have a recent Aggie graduate and another son in his sophomore year here. I hope you find your visit and this panel helpful as you and your fellow Commissioners develop the Internet rules and regulations.

I am Robert Hunt, Vice President of Regulatory Affairs and Business Operations at GVTC. GVTC is a telephone cooperative formed in 1951 providing voice, video, Internet, security monitoring services and Ethernet Transport Services in an area north and east of San Antonio. We serve predominately rural areas making the cost to deliver those services very challenging. However, we recognized many years ago that our ability to deliver broadband service was critical to our success and would provide an engine for economic growth in our service area. We began delivering Fiber to the Home over 10 years ago and now over 65% of our customers have access to fiber based services, 85% have access to Broadband and 95% have access to High Speed Internet. And those percentages will grow every year.

We recently announced our GigaRegion project, the first of its kind. We partnered with three cities in our service area and are now able to deliver Gigabit service to over 40,000 businesses and residential customers in our service area. How the FCC elects to regulate the Internet will certainly impact our ability and willingness to move forward with additional Fiber to the Home and Gigabit deployment.

There are many who argue that service providers like GVTC must be heavily regulated under Title II, as we are financially motivated to block access to certain content and discriminate against others. I point out that we have been in the information delivery business since our inception. Originally it was a phone call, then cable TV service, then a security monitoring service, then internet access, web hosting, online data back-up, music services and the list goes on. Choosing to restrict our customers' use of their Internet service is contrary to our business purpose. In fact, the recent record shows that it is the content providers that have the ability to restrict access. Viacom, the owner of MTV and Nickelodeon, blocked CableOne's Internet customers from accessing Viacom's websites because CableOne would not pay the cable carriage fees. We believe the content providers have significantly more market power than the service providers. We support an Open Internet, one in which all customers have access to all of the information, services and applications that are available.

I point out that Title II regulation has traditionally been used in a monopoly environment. We face competition from a major cable company, wireless ISPs, cellular companies and satellite. The information from the National Broadband Map shows that there are 32 competitors in our service area. Creating new Title II regulations would impose new regulatory burdens on all service providers, most of which have never heard of it and are completely unaware of its requirements such as rate regulation, tariff filing and universal service funding.

Others claim that Title II regulation will prohibit "fast lanes" and "slow lanes". First, to my knowledge, no service provider has ever engaged in creating fast or slow lanes, and no evidence exists that it is likely to happen. On the contrary, Title II regulation has allowed companies to tariff different Service Level Agreements for those customers willing to pay the extra money. Title II regulation does not address this issue, to the extent there even is one.

So the question is “How should the Commission proceed?” We believe the FCC can establish the proper consumer and service provider safeguards using Section 706 of The Telecommunications Act, rather than Title II. The court, in striking down portions of the FCC’s 2010 Open Internet Order, has provided a reasonable path forward stating that by using Section 706, the FCC is empowered to create rules “governing broadband providers’ treatment of Internet traffic” and “that they will preserve and facilitate the “virtuous circle” of innovation that has driven the explosive growth of the Internet.” We are confident that rules established under Section 706 can support an Open Internet, protect consumers and meet the Commission’s objectives.

Again, thank you for this opportunity to participate on this panel and I look forward to our discussions.